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UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation

CORN SALES HANDBOOK

YIELD AND INVESTMENT INSURANCE

INTRODUCTION

This handbook applies to the 1948 yield and investment plans of corn crop insurance which are being made available in the following counties:

<u>State</u>	<u>Yield Insurance</u>	<u>Investment Insurance</u>
Illinois	Montgomery	
Indiana	Miami	
Iowa		Buena Vista
Maryland		Kent
Michigan	Hillsdale	Hillsdale
Minnesota	Redwood	Redwood
Missouri	Carroll	Carroll
Nebraska	Saunders	Saunders
Ohio	Champaign	
Pennsylvania		Chester
Wisconsin	Sauk	Sauk 1/

1/ There will be a basic amount of insurance plus additional amounts for approved practices carried out. (See county actuarial table.)

This handbook is designed to assist in selling corn crop insurance for the 1948 crop year. In order to successfully sell insurance, a thorough working knowledge of the program as it affects the individual producer is essential. Toward this end it is intended that this handbook shall accomplish four main objectives: First, it sets forth your duties and responsibilities to the corn producers as well as to the Corporation. Second, it enumerates briefly the principal changes in the 1948 program, which should aid in discussing the new program with producers who are familiar with the 1947 program. Third, it provides you with an outline of the provisions of the new program with emphasis placed on their interpretation from the producer's standpoint. Fourth, it furnishes typical examples for your guidance in explaining the program and in the preparation of the forms connected with the job of selling crop insurance.

It should be remembered that this handbook is not a substitute for the official 1948 regulations, which are a part of the corn crop insurance contract. Therefore, you should also familiarize yourself with the regulations so that you will be in a position to answer questions not covered in this handbook.

SECTION I. DUTIES AND RESPONSIBILITIES IN SELLING CROP INSURANCE

A. Explaining the Program

Your success as a crop insurance salesman depends upon your approach to the producer and the explanation you give concerning the program. It is your responsibility to adequately and correctly explain the program so that no misunderstanding concerning the contract or the amount of protection will arise. Any erroneous information or failure to give important information will lead to dissatisfaction with the crop insurance program. You cannot change or waive any of the terms or conditions of the contract.

B. Informing Producers of Coverages and Premium Rates

One of the most exacting duties you have is that of informing producers of the coverage and premium rate applicable to their land. Under the 1948 program all counties will have established coverages and premium rates by areas on aerial photographs. An area will include that land on which there is reasonable uniformity of productivity and risk of loss, and all land in each such area will have the same coverage and premium rate. It is important that information furnished an applicant regarding coverages and rates be correct and clearly understood by him. In cases where parts of the land worked by a producer are in two or more coverage and rate areas, as shown on the crop insurance map, the greatest care must be exercised to be sure that he understands what part of his land lies in each such area. If the applicant's land is close to the boundary line of a coverage and rate area or is widely scattered and parts thereof are likely to be located in different coverage and rate areas, the salesman should locate this land on the map at the time the sale is made in order to be sure that no misunderstanding exists as to the land to be covered. The county office has been furnished sufficient photographs and other material to properly equip and instruct you for carrying out this assignment.

C. Handling Applications

You should be certain that all applications secured by you are complete and correct and are forwarded daily to the county office, together with your sales report and any checks, postal notes, or money orders representing premium payments collected. You should be especially certain that the typed or printed name on the application agrees with the signature of the applicant. All signatures shall be affixed in accordance with the instructions contained in Section IV hereof. Special attention should be given in those cases where a person signs an application in a representative capacity, such as agent or fiduciary.

SECTION II. PRINCIPAL CHANGES IN THE 1948 PROGRAM FROM THE 1947 PROGRAM

There are listed below briefly the principal changes in the 1948 program from the 1947 program. These 1948 program provisions are explained in detail in Section III of this handbook and are mentioned here only to point out the most important changes in the corn insurance program for 1948.

1. Only one level of yield insurance will be offered which generally will represent not more than the cost of production.

2. Only one level of investment insurance will be offered in a county.
3. Premium rates are quoted in dollars and cents for both yield insurance and investment insurance.
4. A fixed price per bushel is used to calculate the indemnity for yield insurance.
5. There is no minimum premium for the contract, but salesmen should discourage an applicant who wishes to insure only a negligible number of acres.
6. There is a 5 percent discount on any premium paid in full on or before April 30, 1948.
7. There is a graduated reduction in premium based on the number of insured acres of corn on the insurance unit.
8. The definition of an insurance unit (See Section III, D) is different from the definition used in 1947. An insurance unit now includes all insurable acreage located in the county which is under the same ownership and which is operated by one person in which the insured has an interest at the time of planting. An insurance unit may include land not listed on the application.
9. Coverages and premium rates per acre are established in all counties on an area basis. Under this plan the county has been laid out in areas in which the productivity of the land and the risk of loss is reasonably uniform. All land in a coverage and rate area has the same coverage and premium rate per acre.

SECTION III. EXPLANATION OF THE 1948 CORN CROP INSURANCE PROGRAM

A. Who May Apply.

An application may be filed by a landlord, owner-operator, or tenant to cover his interest in a corn crop.

B. Causes of Loss Insured Against.

The Federal Crop Insurance Corporation offers insurance covering losses of field corn grown for grain while in the field due to unavoidable causes, including drought, flood, hail, wind, frost, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation and plant disease and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. The salesman should point out clearly to the applicant that the contract does not cover losses resulting from avoidable causes such as neglect, poor farming practices, etc.

C. Amount of Insurance.

1. Coverage per acre. The coverage per acre is that number of bushels of corn (for yield insurance) or dollars (for investment insurance) approved by the Corporation for the coverage and rate area in which the insured acreage is located on the crop insurance map and is shown on the county actuarial table on file in the county office. In some counties there may be more than one coverage and rate area.

2. Acreage not insured. The contract will not cover any corn grown on acreage for which a coverage has not been established by the Corporation before the closing date for filing applications.

There will be no insurance on any acreage planted to corn which is destroyed or substantially destroyed and which can be replanted before it is too late to replant corn and such acreage is not replanted

3. Progressive Protection. Although the coverage for both plans of insurance is uniform throughout the season, half the coverage, or the appraised production if larger (or the value thereof in the case of investment insurance), will be charged for any acreage which is released and planted to a substitute crop; and 15 percent of the coverage, or the appraised production if larger, (or the value thereof in the case of investment insurance), will be charged on any other acreage not harvested. Where a loss claim is filed prior to harvest on the basis of appraisal of matured corn in the field or where corn remains in the field at the end of the insurance period, there will be no minimum appraisal if such corn is to be harvested. Acreage of corn fed to livestock in the field is not considered to be harvested.

4. Total amount of insurance. The total amount of insurance for each insurance unit under the contract shall be the number of bushels of corn (for yield insurance) or dollars (for investment insurance) determined by multiplying (a) the insured acreage by (b) the coverage per acre and by (c) the insured interest in the crop. If different coverages per acre are applicable to parts of the insurance unit, the amount of insurance shall be computed separately using the applicable acreage for each coverage per acre and the total of such computed amounts shall be the amount of insurance for the insurance unit.

D. Insurance Unit.

An insurance unit will include (1) all of the insurable acreage of corn in the county in which the insured has 100% interest in the crop at the time of planting, or (2) all the insurable acreage in the county which is operated by the insured as a share tenant and which is owned by one person, or (3) all the insurable acreage in the county which is owned by the insured and is rented to one share tenant. Land rented for cash or for a fixed commodity payment shall be considered to be owned by the lessee. Insurance units are not limited to farm boundaries as was the practice in 1947. This will result in larger insurance units for owner-operators who operate two or more separate farms. Likewise, insurance units for share tenants will be larger in cases where they plant corn on two or more farms owned by one person.

Where a tract of land described on the application does not constitute an entire insurance unit, the entire acreage of insurable field corn on the insurance unit will be taken into consideration in determining the loss, if any, on the insurance unit.

E. Insured Acreage

The insured acreage for an insurance unit is the number of acres specified on the application for land included in the insurance unit or the measured acreage of insurable corn in the insurance unit, whichever is the lesser. The acreage specified on the application may be increased and additional farms may be added on or before the closing date. A reasonable time will be allowed after the closing date--until June 30, 1948--to report actual acreage planted where it is less than that shown on the application.

F. Amount of Loss

1. Yield Insurance. The loss, if any, on an insurance unit would be the total amount of insurance for the insurance unit less the insured's share of (a) any corn harvested on the unit, (b) any appraised production on released acreage, (c) any corn left in the field, and (d) any appraisal for unmerchantable production.
2. Investment Insurance. The loss, if any, on an insurance unit would be the total amount of insurance for the insurance unit less the cash value of the insured's share of (a) any corn harvested on the unit, (b) any appraised production on released acreage, and (c) any corn left in the field.

If the acreage of insurable field corn on an insurance unit exceeds the insured acreage on the insurance unit the loss will be determined for the entire insurance unit and the proportionate share of the loss for the insured acreage will be determined and multiplied by the insured interest to determine the amount of loss due the insured. This situation may result from insuring only a part of the acreage of field corn on a farm or from not listing on the application all of the land included in the insurance unit on which field corn is grown.

G. Basis for Determining Value of Production - Investment Insurance

The cash value of production shall be determined on the basis of (1) the local market price per bushel, (2) the price per bushel the insured obtained, or (3) the applicable 1948 county loan rate per bushel, whichever is highest. However if the Corporation determines that any corn is not eligible for loan and would not meet loan requirements (if properly handled) such corn shall be evaluated at the highest price obtainable.

H. Release of Acreage

If the corn crop on any acreage is destroyed or substantially destroyed after it is too late to replant the acreage to corn and the insured desires to make other use of this acreage, he should promptly notify the county committee and request an inspection and a release of the acreage. An adjuster will make the inspection for the Corporation. Any such acreage must not be put to another use unless it is released in writing by the adjuster. All acreage of corn on the insurance unit which is not released during the growing season shall be deemed to be released upon the signing of a statement in proof of loss for such unit by the insured and the loss adjuster.

Insured corn acreage may be released by the Corporation for feeding to livestock in the field or for use as ensilage or fodder. However, it may be used for ensilage or fodder without a release by the Corporation if the insured leaves an adequate number of representative sample rows for the Corporation to appraise the yield that would be realized if the crop had been left for harvest.

I. When Insurance Begins and Ends

The insurance begins when the corn is planted and ends upon harvest. If production is appraised and a Statement in Proof of Loss is filed earlier, the insurance period ends upon filing of the Statement in Proof of Loss. In no event will the insurance period extend beyond December 10, 1948.

J. Collateral Assignment

The applicant may assign his right to any indemnity, which may become payable to him under his contract, as collateral for a loan or other obligation by executing a Form FCI-20, "Collateral Assignment." The assignment may be filed in the county office at the time the application is filed or at any time thereafter as long as the original insured retains an interest in the insured crop. Only one collateral assignment will be recognized at any one time in connection with an insurance contract; however, if an assignment is released, another assignment may be recognized.

K. Fixed Price

For yield insurance a fixed price per bushel of corn (the 1947 county corn loan rate) will be used in computing the amount of any indemnity.

L. Premiums

1. Only for payment of losses. The premiums collected for corn crop insurance are used to pay losses only and do not include any amount for administrative expenses. The cost of administering the program is paid by the Federal government.
2. Premium note. By signing the application for crop insurance, the applicant executes a note for payment of the premium. The maturity date of the premium note is July 20, 1948, but the premium may be paid at any prior time.
3. Amount of premium. The annual premium will be the product of (a) the insured acreage, (b) the premium rate, and (c) the insured interest in the crop. While there is no minimum premium for the contract, salesmen should discourage an applicant who wishes to insure only a negligible number of acres. There will be a reduction in the premium in cases where the insured acreage for the insurance unit is 50 acres or more. The reduction is two percent if the insured acreage on the insurance unit is between 50 and 99.9 acres and an additional two percent reduction for each additional 50 acres or fraction thereof of insured corn on the insurance unit. The maximum reduction will be 20 percent, which will apply where the insured acreage is 500 acres or more on an insurance unit. The following table shows the percent reduction in the premium for specified acreages:

<u>Acres</u>	<u>Reduction in Premium</u>
0- 49.9	No reduction
50- 99.9	2 percent
100-149.9	4 percent
150-199.9	6 percent
200-249.9	8 percent
250-299.9	10 percent
300-349.9	12 percent
350-399.9	14 percent
400-449.9	16 percent
450-499.9	18 percent
500 and over	20 percent

4. Payment. A 5 percent discount is allowed on any premium paid in full on or before April 30, 1948. Payment of the premium may be accepted by the salesman at the time the application is signed. However, payment to the salesman must not be in cash but may be by check, postal note, money order, or bank draft, payable to the order of the Treasurer of the United States. Cash payments may be made at the office of the county association. Premium payments accepted by the salesman shall be delivered to the county office which will send a Form FCI-13, "Receipt," to the applicant for each collection made by the salesman.
5. Premium notice. The insured will be notified by the Corporation of the amount of the cash premium due.
6. Penalty for late payment. A three percent penalty will be charged on any portion of the premium which is not paid on or before December 31, 1948, and an additional three percent penalty will be charged on any portion of the premium unpaid at the end of each six-month period thereafter.
7. Deductible for income tax purposes. Crop insurance premiums are deductible as operating costs in computing income tax.

M. Indemnities

1. Amount. The amount of the indemnity in the case of yield insurance will be the number of bushels of corn approved as the amount of loss for the insured (as determined under Item F), multiplied by the 1947 county corn loan rate.
2. How paid. Any indemnity due under the contract will be paid by check.

N. Contract

1. Term of contract. The contract is for the 1948 corn crop only.
2. Insured's copy. After an application is accepted by the State Crop Insurance Director the insured's copy of the application and a copy of the regulations will be mailed to him. These constitute the insurance contract.

3. Separate applications. Separate applications must be submitted by a person who desires insurance on farms operated in a personal capacity and on farms operated in a fiduciary or representative capacity. For example, a person who desires insurance on his own farm and also on another farm which he is operating as administrator of an estate, must submit separate applications.

O. Transfer of Interest

1. Indemnity payable to transferee. In case of a transfer before beginning of harvest, the indemnity, if any, will be payable to the person or persons having the insured interest in the crop at the time of loss, but is subject to a deduction for the premium applicable to the acreage transferred. Any outstanding collateral assignment made by the original insured will be paid before the transferee receives any payment.
2. Premium on transferred interest. The original insured will be liable for the payment of the entire premium.

P. Minimum Participation Requirement

A minimum participation requirement is established for each county. In most counties, the applications filed must cover 200 insurance units to meet this minimum. If this requirement is not met, all the applications submitted will have to be rejected by the Corporation.

Q. Hail Insurance

The amount of indemnity under a Federal Crop Insurance Contract will not be reduced because the insured farmer also carries hail insurance on his corn crop. Hail insurance and Federal Crop Insurance are not competitive. In the first place, hail is a single risk while Federal Crop Insurance covers essentially all unavoidable risks. In the second place, hail insurance indemnities are based on the percentage of damage to the crop whereas under Federal Crop Insurance an indemnity is paid if the crop remaining for harvest plus any appraised production is less than the guaranteed coverage. Premium costs are not comparable because the protection offered is entirely different.

R. What is Required of a Producer

1. Application. File an application with a salesman or in the county office on or before April 30 or before the applicant begins to plant corn, whichever is earlier.
2. Care of crop. The contract provides that the insured must plant, care for and harvest the crop in accordance with good farming practices. If your corn crop or any portion of it is destroyed while there is still time to replant you are expected to replant. If this acreage is not replanted, it will not be insured.

3. Acreage reduction. The acreage shown on the application for the insurance unit cannot be reduced unless the insurable acreage planted to corn on the insurance unit is less than the acreage shown on the application for that insurance unit. If the insured believes he has planted less acreage on the insurance unit than the acreage applied for on the application he may submit evidence (satisfactory to the county committee) as to the number of acres planted showing the total acreage of corn planted on the insurance unit. Such evidence must be submitted by him on or before June 30, 1948.
4. Notice of transfer. If all or any part of the insured corn crop is transferred to another person the transferor should promptly notify the county office in writing of the name of each person to whom a transfer is made, a description of the land, and the number of acres and share in the crop transferred to each such person.
5. Pay the premium promptly. If the 5% discount is not taken by paying the premium on or before April 30, the premium becomes due on July 20, 1948, the maturity date of the note.
6. Report of damage. The insured must report immediately to the county office any material damage to the crop which may result in a loss under the contract.
7. Used for feed or fodder. If the insured wishes to feed corn to livestock in the field or use it for ensilage or fodder purposes a release must be secured from the Corporation. (See Release of Acreage - Paragraph H above.)
8. Report of Loss. If, at completion of harvest of the insured corn crop, a loss has been sustained, and settlement of the loss has not been made on the basis of appraisal of the unharvested corn, the insured is required to give written notice immediately to the Corporation at the county office. If this notice is not given within 15 days after harvest is completed, the Corporation may reject any claim for indemnity.

SECTION IV - SIGNATURES

The examples of signatures set forth below are for use as a guide in securing signatures on applications for crop insurance. Information on any case not covered by these examples may be secured from the county office.

All signatures, including that of the witness, should be affixed with indelible pencil or ink and must be in the original handwriting of the person signing. Some states require two witnesses when a signature is affixed by mark (X). Any signature on an application by mark (X) or otherwise should include at least one given name, an initial, if any, and the surname. A married woman should use her own given name and initial (not those of her husband) unless she is acting in a representative or fiduciary capacity for an applicant, in which case she should sign her name as it is listed in the power-of-attorney or other document authorizing her to act for the applicant.

When a person signs an application in a representative capacity he must show (1) the name of the principal for whom he is acting, (2) his own signature, and (3) the capacity in which he signs.

A. Signature of a Person For and On Behalf of Himself

1. As an individual:

- a. John H. Doe
- b. J. Henry Doe, Jr.
- c. Mary L. Doe

2. In the case of joint-owners or joint-operator each should sign the application as an individual.

B. Signatures of Persons Signing in Representative Capacities

1. As agent:

- a. John H. Doe by Richard R. Roe, Agent
- b. Jones and Smith, a Partnership, by Richard R. Roe, Agent
- c. ABC Company, Inc., by Richard R. Roe, Agent

2. As a member of a partnership

Smith and Jones, by R. John Smith, a partner

3. As officer of a corporation

ABC Company, Inc., by Richard R. Roe, President
(or other officer)

4. As executor or administrator

John H. Doe, Executor (Administrator)
of the estate of Richard R. Roe, Deceased

5. As guardian, committee, or conservator

John H. Doe, Guardian (Committee or Conservator) of the Estate of
J. Harry Roe, Minor (or Incompetent)

6. As trustee

John H. Doe, Trustee for the Heirs of Richard R. Roe, Deceased

7. As state, county, or municipal officer

Douglas County, Michigan, by John H. Doe, County Commissioner

SECTION V. PREPARATION OF FORMS

A. Preparation of Form FCI-812-Corn, "Application for Corn Crop Insurance"

It is essential that Forms FCI-812-Corn be completely and correctly prepared, including the signature of the applicant. Special attention must be given to the description and location of the farm or insurance unit. This is necessary so that there will be no misunderstanding as to what land is insured. Time spent on each application with the view of getting it completely and correctly prepared will prevent misunderstanding and save much time later.

Form 812-Corn shall be prepared as follows:

1. The state and county code and the application number shall not be entered at the time the application is prepared for the signature of the applicant. These entries shall be made when the application is returned to the county office.
2. Enter the names of the county and state.
3. Enter the complete address including any route or street number of the applicant in the space provided. After the applicant has signed the application, his typed or printed name shall be entered in the space provided and must agree with his signature. For example, if the application is to be signed "John T. Doe," the typed or printed name should be "John T. Doe" and not "J. T. Doe" or "John Doe."
4. Enter in Item C the kind of insurance applied for - either "yield" or "investment".
5. Enter in the respective columns of Item D, using a separate line for each farm, the following information:
 - a. Column 1. The location or description of the farm. (A farm as listed on the application should be the area of land normally considered as a farm in the community.)

The location of the farm to be entered should be either the legal description or the number of miles and the direction of the farm from a town, school, church, store or some other landmark in the area and, where possible, the number of the highway or name of the road on which the farm is located. The description of the farm should include the number of acres of farmland or cropland, whichever the county committee determines is more significant, and, where applicable, the name by which the farm is commonly known. In the cases where widely separated tracts of land are considered to be parts of a farm, each such part should be entered on a separate line.

Care should be taken to see that the location and description of each farm are clearly stated. Therefore, the salesman should exercise care in entering the location and description of the farms on the application. In all cases the location and description of the farms should be furnished by the applicant. The applicant should be encouraged to insure all the farms on which he has an interest in the corn to be planted.

- b. Column 2. Enter the number of acres of corn to be insured. The corn to be insured will be field corn planted for harvest as grain. The applicant should be encouraged to insure all of the corn acreage he expects to plant. The contract will not provide insurance for true type silage corn or thick-planted corn for silage or fodder purposes, sweet corn, popcorn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn. Hybrid corn grown for production of seed, after the development of the hybrid seed corn has been completed, is insurable.

If the acres to be insured is only a part of the total acres to be planted, it must represent a reasonable portion of the total acreage. Where a farm is composed of widely separated tracts, the acreage to be entered on each line shall be the acreage for each tract. Where the applicant will have different shares in parts of the corn acreage on a farm at the time of planting a separate line should be used for each acreage in which he will have a different share. Where the applicant rents parts of a farm to two or more share tenants the acreage to be planted by each share tenant should be entered on a separate line.

- c. Column 3. Enter the share (either all, the fractional share or the percentage share) which the applicant expects to have in the crop at the time of planting. A share must be entered for each acreage appearing in column 2.
- d. Column 4. Enter the name of the person other than the applicant who shares in the corn crop, if a share other than all or 100% has been entered in column 3.
- e. Column 5. Where the applicant desires to pay his premium in full on or before April 30, 1948, it will be necessary for the salesman or the county office to complete Column 5. In these cases column 5 should be completed as follows:

Where two or more tracts of land are listed on the application (1) enter in line 1, column 5, the figure 1, (2) enter in the succeeding lines in column 5, the figure 1, for any other tracts of land which are a part of the same insurance unit, (3) in case an insurance unit designation has not been entered in column 5 for one or more tracts, enter the figure 2 on the first such line, (4) enter in the succeeding lines in column 5, the figure 2, for any other tracts of land which are a part of that insurance unit, and (5) in case an insurance unit designation has not been entered in column 5 for one or more tracts, determine and enter an insurance unit designation as set forth above.

- f. Remarks. Where more than one line has been used to report data for an insurance unit, enter and identify in the space provided for "Remarks", the total number of acres in each insurance unit, for example, Unit 1 - 140 acres; Unit 2 - 40 acres.
- 6. The applicant shall sign the application and enter the date of his signature in the spaces provided in Item H. All signatures, including those in a representative capacity, shall be affixed in accordance with the instructions set forth in Section IV. A witness to the applicant's signature shall be obtained in all cases. The witness should be the person taking the application. If the applicant's signature is by mark and the state law requires two witnesses, the signature of a second witness shall be obtained. The agent should verify that dates of signatures have been entered in the applicable spaces.
- 7. Item K, COMPUTATION OF THE PREMIUM, will be completed by the salesman or the county office only in those cases where the applicant desires to pay his premium in full on or before April 30, 1948. If necessary to compute

the premium, Item K shall be completed as follows:

Each line in Item K should carry data for the land described on the corresponding line in Item D.

- a. Column 6. Enter the coverage area number shown on the crop insurance map, for the land described on the corresponding line in Item D.
- b. Column 7. Enter the coverage per acre, as shown on the county actuarial table, (bushels in the case of yield insurance and dollars in the case of investment insurance) applicable to the coverage area number entered in Column 6.
- c. Column 8. Enter the premium rate per acre as shown on the county actuarial table, applicable for the coverage area number entered in Column 6.
- d. Column 9. Compute and enter the premium for the insured acreage entered in Column 2 (columns 2 x 3 x 8).

If none of the insurance units for the contract have 50 or more insured acres (as shown under "Remarks") entries need not be made in Columns 10 and 11. In such case the entries in Column 9 should be totaled and the gross premium entered in the space provided.

- e. Column 10. In any case where the insured acreage(s) for an insurance unit is 50 acres or more a reduction in premium (See Sect. III L, 3) will apply. Where the insured acreage for an insurance unit (the total for all tracts included in the insurance unit) is 50 acres or more, determine the net premium percentage and enter it in Column 10 on each line for which data for the particular insurance unit are entered (for example, if the insured acreage for an insurance unit is 140, there is a 4 percent reduction in premium; therefore, the net premium percentage to be entered in Column 10 for each tract included in the insurance unit is .96).
- f. Column 11. Enter in Column 11 the result obtained by multiplying the entry in Column 9 by the entry (if any) in Column 10. On any line where there is no net premium percentage entry in Column 10, the entry in Column 9 shall be entered in Column 11. All entries in Column 11 shall be totaled and the net premium entered in the space provided.
- g. Discount. Enter in the applicable spaces the amount of premium paid and the date it was paid by the insured. The amount shall be arrived at by deducting 5 percent from the applicable total at the bottom of Column 9 or Column 11.
8. If there is not sufficient space on the application to insert the required descriptions, locations, etc., of all the farms to be covered on the application a second Form 812 should be used as a continuation sheet and designated "continuation sheet" in the heading thereof. In such cases the applicant's name and the state and county code and application number must be entered on each continuation sheet. Also in such cases only the first Form 812 need be signed by the applicant.

Name of applicant must agree
with his signature. Enter his
name after he signs application.

Name and address of Applicant:

Name JOHN DOE

(Type or Print)

(State and County Code and Application Number)

Address Chestertown, Rt. 2, Maryland

(Type or Print)

Kent

(County)

Maryland

(State)

Enter complete and correct mailing
address of applicant.

APPLICATION FOR CORN CROP INSURANCE

(For the 1948 Crop Year)

(Pursuant to the Federal Crop Insurance Act, as amended)

A. The undersigned applicant hereby applies to the Federal Crop Insurance Corporation (herein referred to as "the Corporation") for insurance to cover his interest as landlord, owner-operator or tenant, in the number of acres of field corn, and on the tracts of land, specified in Item D hereof. It is understood and agreed that where a tract of land described in Item D hereof does not constitute an entire insurance unit, the entire acreage of insurable field corn on the insurance unit will be taken into consideration in determining the amount of loss, if any, on the insurance unit. It is also understood and agreed that the insured acreage for each insurance unit will be the smaller of the acreage specified on the application or the acreage planted on the insurance unit for harvest in 1948, as determined by the Corporation. It is understood and agreed that this application will cover only insurable acreage considered for crop insurance purposes to be located in the county designated above. The insurance shall cover loss of corn while in the field due to unavoidable causes, including drought, flood, hail, wind, frost, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. It is further understood and agreed that this application, when accepted by the Corporation and the Corn Crop Insurance Regulations for the 1948 Crop Year (herein referred to as "the Regulations") issued by the Corporation, including any amendments thereto, shall constitute the insurance contract. It is further understood and agreed that no terms or conditions of the contract shall be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation.

B. The coverage(s) and premium rate(s) per acre for each insurance unit covered by the contract shall be those established by the Corporation and shall be on file in the office of the county association or other office specified by the Corporation. It is understood and agreed that any acreage for which a coverage is not established before the closing date for submitting applications shall not be insured acreage.

C. KIND OF INSURANCE APPLIED FOR: Investment
(Enter "Yield" or "Investment", whichever is applicable.)

D. IDENTIFICATION OF CORN ACREAGE TO BE INSURED AND INSURED'S SHARE THEREIN

Loaction or Description of farm (1)	Number of Acres to be insured (2)	Insured's Share (3)	Name of Person Other Than Insured Sharing in Crop (4)	Insurance Unit Designation (5)
3 mi N. of Chestertown US 213 526 acres	100	1/2	John Brown	1
1 mi N. of Wash. College US 213 210 acres	40	1/2	John Brown	1
1 MI S.E. of Worton Rt. 297 153 acres	30	3/4	John Owens	2

Remarks Unit 1-140 acres. Unit 2-40 acres

E. In the case of "yield insurance," it is understood and agreed that the 1947 corn loan rate for the county will be fixed price per bushel of corn for computing any indemnity payment.

F. In the case of "investment insurance" it is understood and agreed that in determining the amount of loss, if any, the actual production and any appraised production of corn will be evaluated at the highest of (1) the local market price per bushel, (2) the price per bushel obtained for corn sold, or (3) the 1948 loan price, except that any corn which is not eligible for loan and would not meet loan requirements, if properly handled, shall be valued at the highest price obtainable, as determined by the adjuster.

G. The undersigned applicant further agrees to follow recognized good farming practices and to properly prepare the land and plant and care for the corn crop.

H. NOTE FOR PREMIUM.—The undersigned applicant promises to pay to the Corporation, on or before the applicable maturity date specified in the Regulations, the amount of any premium not paid on or before December 31, 1948 and an additional three percent shall attach on the principal amount of any premium unpaid at the end of each six-month period thereafter.

Any unpaid amount of this note (either before or after the maturity date) may be deducted from any indemnity payable under the contract, from the proceeds of any commodity loan to the insured, and from any payment to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture.

March 27 1948
(Date)

Be sure to enter date of signature.

Signature should be with ink or
indelible pencil.

Salesman should sign as witness is required
by some states if applicant's signature is
marked.

John Doe
Signature of Applicant

Kathryn M. Pinder
(Witness to Applicant's Signature)

I. RECOMMENDATION AND CERTIFICATION BY CORPORATION REPRESENTATIVE OR BY THE COUNTY COMMITTEE. The undersigned Corporation representative or a member of the County Agricultural Conservation Committee on behalf of such Committee, recommends acceptance of this application and certifies that, to the best of his knowledge and belief, the application has been submitted in accordance with the provisions of the Regulations and any amendments thereto, and that, if the signature of the applicant in Item H has been affixed by a person who signed as fiduciary or agent, such person had authority to act in such capacity.

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(Signature of Corporation representative or a county committeeman)

J. ACCEPTANCE BY THE FEDERAL CROP INSURANCE CORPORATION.- It is understood and agreed that upon acceptance of the application by a duly authorized representative of the Corporation, as evidenced by his approval below and notification thereof to the applicant, the insurance contract shall be in effect, provided the application has been submitted in accordance with the provisions hereof and the Regulations, including any amendments thereto.

THE FEDERAL CROP INSURANCE CORPORATION

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By:

(Date)

(Authorized representative)

K. COMPUTATION OF PREMIUM (For County Office Use only)

Coverage	Coverage per Area	Premium Rate	Gross Premium	Net Premium	Net Premium	DISCOUNT
Number	Bu. or Dollars	Dollars	Cols 2x3x8	%		
1.	1	\$20.00	.50	\$25.00	.96	24.00
2.	1	\$20.00	.50	10.00	.96	9.60
3.	2	\$15.00	.50	11.25	--	11.25
			TOTAL		TOTAL	\$44.85
						Amount paid
						\$42.61
						Date paid
						Apr. 30, 48

(Note: All checks, bank drafts, postal notes and money orders in payment of crop insurance premiums or indebtedness shall be made payable to the TREASURER OF THE UNITED STATES.)

B. Preparation of Agent's Sales Report

The following is a typical example of how the Agent's Sales Report should be prepared by the agent. If the agent is submitting applications showing more than one commodity, such as corn and flax, separate sales reports shall be prepared for the respective commodities.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation

Form FCI-1
(Revised May 1945)

AGENT'S SALES REPORT

Sheet 1 of 1 sheets
State Maryland
County Kent

Corn
(Name of Crop)

Name of Applicant	Address of Applicant	Farm Serial	Relationship to farm 1/	Identification No. 2/	Remarks 4/
(A)	(B)	(C)	(D)	(E)	(F)
Joe Brown	Rt. 1. Chesertown, Md.	100%	Owner		
" " "	" "	60%	Operator		
John Smith	Rt. 2. Galena, Md.	100%	Share		
			Tenant		Tom Doakes
John Jones	" "	100%	Owner		
			Operator		
John Doe	Rt. 2. Chesertown, Md.	50%	Cash		
" " "	" "	75%	Tenant		John Brown
			Share		
			Tenant		John Owens

- 1/ The heading of this column is not applicable. Enter the share of the corn crop which the applicant receives on each insurance unit as defined in Section III D. Use one line for each insurance unit covered by an application. Where more than one insurance unit is covered by an application, separate lines should be used for each insurance unit with the name and address of the applicant dittoed in columns A and B.
- 2/ State for each insurance unit (instead of for each farm) whether the applicant is landlord, owner-operator, cash tenant, or share tenant.
- 3/ The entries for this column will be made in the county office upon receipt of Form FCI-1 from the salesman.
- 4/ For each insurance unit this column shall be used to enter any additional information required by the county committee, such as the name of any other person sharing in the crop.

March 27, 1948.

(Date)

R. E. Lee

(Agent's Signature)

The original of the Agent's sales report shall be forwarded to the office each day, together with all copies of the signed applications and any premiums collected. The copy of the report shall be kept by the salesman.

